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January 23, 2024

VIA ECF

The Honorable Philip M. Halpern United States District Judge Southern District of New York 300 Quarropas Street, Courtroom 520 White Plains, New York 10601 Application granted in part and denied in part. All deadlines in this matter are temporarily stayed until 14 days after the conclusion of mediation. The parties shall file their first joint letter on or before 2/8/2024 advising the Court of the status of mediation. Although the Court will not "refrain" from issuing a decision on the pending motion to dismiss (Doc. 53), it will be deemed withdrawn without prejudice to reinstatement within 14 days after the conclusion of mediation. Accordingly, the Court of Clerk is respectfully requested to terminate the pending motion (Doc. 53) and letter-motion (Doc. 60).

SO ORDERED.

Philip M. Halpern

United States District Judge

Dated: White Plains, New York January 24, 2024

Re: Chabak, et al. v. Somnia, Inc., et al. (Case No. 22-cv-09341)
Joint Letter-Motion to Stay Case Pending Mediation

Dear Judge Halpern:

We represent Defendants in the above-referenced consolidated class action. The purpose of this letter-motion is to request that the Court approve the parties' joint request to stay the lawsuit pending mediation (the "Motion"). In support of the Motion, the parties state as follows:

This action arose from an alleged breach of Defendants' computer systems by unknown third parties in June 2022 (the "Security Incident"). Defendants are an anesthesiology practice-management company and five of the anesthesiology practices it manages. Plaintiffs received notice that their personal information may have been compromised in the Security Incident. They seek to represent classes of allegedly similarly situated individuals.

Defendants moved to dismiss the First Consolidated Amended Complaint under Federal Rules of Civil Procedure 12(b)(1) and 12(b)(6) (the "Motion to Dismiss"). The Motion to Dismiss is pending before the Court, and per the Court's order, the parties have begun discovery.

Since early last spring, the parties have been discussing a possible resolution of the case, and they recently agreed to mediate the matter. In connection with the planned mediation, and to conserve the resources of the Court and parties, the parties respectfully request that this case and all litigation deadlines be temporarily stayed until the mediation is complete. Additionally, the parties recognize that a decision on the issues presented in the Motion to Dismiss may impact (and potentially impede) settlement discussions. For that reason, and to save judicial resources in ruling on the Motion to Dismiss while mediation is imminent, the parties request that the Court refrain from issuing a decision on the Motion to Dismiss until the mediation is completed. Notably, this Motion does not currently affect any existing deadlines in the case and could at most necessitate a short extension in the future should mediation be unsuccessful.

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The process of selecting and booking a mediator is not complete. Accordingly, the parties propose to file a notice advising the Court of the mediation date by February 8, 2024. And finally, in connection with the requested temporary stay, the parties propose to file a joint status report after the mediation is completed to advise the Court on whether the mediation was successful, whether additional time to discuss a settlement is needed, and proposed next steps. Because cases of this complexity often are not resolved in a single day of mediation, the parties propose to submit that joint status report no later than 14 days from the date of mediation.

Accordingly, the parties respectfully request that this Court: (1) grant this Motion; (2) temporarily stay the case pending the parties' mediation; (3) refrain from issuing a decision on Defendants' Motion to Dismiss; and (4) grant the parties such further relief as is appropriate.

Thank you for your time and consideration of this Motion.

Respectfully submitted,

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